

# journal

September 2007

[www.bpa.gov/corporate/pubs/Journal](http://www.bpa.gov/corporate/pubs/Journal)

## Wind Rate Case workshops scheduled

BPA will hold workshops Sept. 11, Sept. 27 and Oct. 25 to prepare for a wind integration rate case that will identify and quantify the costs associated with integrating wind generation into its control area and design a rate to recover those costs. The need for this rate was identified in the Northwest Wind Integration Action Plan, a regional process sponsored by BPA and the Northwest Power and Conservation Council earlier this year.

BPA's workshops are intended to promote collaboration among BPA, BPA customers and members of the wind community in order to develop an appropriate rate. The workshops will be held in BPA's Rates Hearing Room, 911 N.E. 11th Avenue, Portland, Ore. BPA expects to issue an initial rate proposal in February 2008, concluding the rate case in May 2008. The rate would become effective October 1, 2008.

For more information, see BPA's Web site: [www.transmission.bpa.gov/Business/Rates\\_and\\_Tariff/2009WindIntegRateCase.cfm](http://www.transmission.bpa.gov/Business/Rates_and_Tariff/2009WindIntegRateCase.cfm).

## Agencies submit biological assessments

Federal agencies have completed a new, comprehensive analysis and set of proposed actions that provide new protections for Columbia River Basin salmon and steelhead listed under the Endangered Species Act (ESA). Using the best available scientific information, this analysis looks in-depth at each of the 13 ESA-listed Columbia River Basin stocks, the habitat, hydro, hatchery and harvest factors that limit their ability to recover, and estimates the benefits of the actions the agencies propose. The agencies involved, known as the Federal Action Agencies, are BPA, the U.S. Army Corps of Engineers and the Bureau of Reclamation. The documents were submitted to NOAA Fisheries on Aug. 21 and will be released to the public after Labor Day.

NOAA Fisheries will use the documents to prepare its Biological Opinion on whether operation of the Columbia River Basin projects jeopardizes the survival of Columbia Basin fish listed under the ESA. The draft Biological Opinion is due to be submitted to the U.S. District Court on October 31.

## BPA celebrates 70th anniversary

On Aug. 20, 1937, President Franklin D. Roosevelt signed the Bonneville Project Act at the Bonneville Dam, resulting in the creation of the Bonneville Power Administration. Last month BPA celebrated 70 years of delivering value to the Pacific Northwest.

BPA's low-cost power has been a cornerstone of the region's economy, providing affordable energy, attracting business and industry and creating jobs. Its transmission system brought electricity to the far corners of the Northwest improving the quality of life even in the most rural areas.

For highlights of BPA's 70 years of service, visit <http://bpaweb/News/Document%20Library/70%20Proud%20Moments.pdf>.



President Franklin D. Roosevelt signing the Bonneville Project Act.

## Residential Exchange work continues

BPA has begun work to implement a new Residential Exchange Program (REP) beginning in fiscal year 2009. The first workshops were held Aug. 21 and 22, covering the fundamentals of determining exchange benefits, including the 7(b)(2) rate test and Average System Cost (ASC). The next workshop is scheduled for Sept. 10.

BPA held a public meeting Aug. 1 that outlined the agency's proposal to move toward a resolution that will provide the region with REP benefits that are legally sustainable and equitable. The meeting gave interested parties an opportunity to learn more about how BPA intends to move forward and to hear the perspectives of the utility community and other regional stakeholders.

"We recognize the efforts that utilities, both public and privately owned, have poured into this issue," said Steve Wright, BPA administrator. "Listening to and understanding other perspectives will help us move toward regional support."



Parties are continuing both formal and informal discussions. BPA remains optimistic that key parties can agree on a framework for resolving this issue. With agreement, BPA believes that interim rate relief for public power customers and benefits to the IOU's residential and small-farm consumers can be provided sooner rather than later.

"Even with agreement, we still have a lot of work to accomplish before offering new long-term contracts," Wright said.

BPA expects to publish an initial rate proposal and a draft ASC methodology in mid-December, and plans to offer all customers long-term power contracts, including REP agreements, by August 2008. "Achieving this schedule will require hard work by BPA and all BPA customers," Wright added.

BPA suspended benefit payments under the REP in May as a result of a ruling by the Ninth Circuit Court of Appeals that a 2000 REP agreement was not consistent with law.

For more information visit [www.bpa.gov/power/pl/regionaldialogue/implementation/](http://www.bpa.gov/power/pl/regionaldialogue/implementation/).

## BPA funds wave energy

Oregon State University (OSU) recognized BPA in August for its contributions to establishing and supporting the university's wave energy research laboratory in Corvallis, Ore.

BPA's funding supported additional construction and equipment for the lab as well as an offshore wave test facility to be put in service near Newport, Ore., later this summer. The lab and the offshore test site are the nation's first two facilities on the West Coast.

The offshore test facility will include devices that will monitor wave movements to create a computer record so actual waves can be recreated in a laboratory environment to test prototype wave energy devices at OSU.

"Wave energy technology is where wind technology was about 20 years ago," said John Pease, BPA's Technology Innovation project manager. "But wave technology is moving much more quickly than wind did in the beginning because we have learned a lot about renewable technology since then."

How does wave energy work? The three direct-drive prototype buoys developed by OSU are designed to be anchored one to two miles offshore in typical water depths of greater than 100 feet. The buoys float but are anchored to the ocean bottom to generate electricity with the rise and fall of the ocean. This movement is converted into electricity.

BPA provided the funding for the two facilities through its Office of Technology Innovation Research and Development program designed to address key issues of importance to BPA and the Pacific Northwest. For more information on this program, see BPA's Web site at [www.bpa.gov/corporate/business/innovation](http://www.bpa.gov/corporate/business/innovation).

## Swan Valley-Goshen line complete

BPA completed rebuilding its 27-mile, 161-kV Swan Valley-Goshen transmission line on July 26, 2007, under budget and two months ahead of schedule. The project will assure safe and reliable service to BPA customers in the Swan Valley, Idaho, area.



The Idaho Falls line crew replacing a structure on the Swan Valley-Goshen line. The line spans 1944 feet across the Ririe Reservoir.

# publicinvolvement

## updates and notices

### NEW PROJECTS

#### McNary-Badger Canyon Transmission Line Rebuild – Benton County, Wash.

BPA is proposing to rebuild its McNary-Badger Canyon 115-kV transmission line outside of Kennewick, Wash. The line extends 18.3 miles from the river crossing north of McNary Substation northeast and then west toward Badger Canyon. The line was built in 1949 and many of the wood poles and cross arms are in need of replacement. In addition, BPA was requested by Energy Northwest to interconnect 32 MW from the Nine Canyon wind farm near Kennewick, Wash., to the Federal Columbia River Transmission System. BPA needs to upgrade the McNary-Badger Canyon transmission line to provide the wind farm

adequate transmission capacity and prevent overload on the line. Construction activities would include adding a new transformer at the Nine Canyon Tap, replacing most of the wood poles with new wood poles that are five to 10 feet taller than the originals and replacing the wire. BPA will conduct an environmental review in fall 2007. Depending on the environmental review, and if BPA decides to proceed with the project, construction could begin in early spring 2008.

#### Ross-Woodland Tap Transmission Line Upgrade – Clark County, Wash.

BPA will upgrade a portion of its Ross-Lexington No. 1 230-kV transmission line which extends from the Ross Substation in Vancouver, Wash., approximately 20 miles north to the Wood-

land Tap. Mint Farm Energy Center requested that BPA interconnect up to 300 MW of power generated from the natural gas-fired combined cycle power plant in Longview, Wash., to the Federal Columbia River Transmission System. The interconnection will require the line to operate at a higher capacity and BPA must upgrade its Ross-Woodland Tap transmission line as a result. Construction will include replacing switches at the Woodland Tap and Ross Substation. The line upgrade will also involve installing shunts over approximately 120 existing compression fittings along the 20 miles of transmission line. BPA has conducted environmental field surveys and completed a Categorical Exclusion. Construction is scheduled to begin in mid-September 2007. The anticipated project completion date is Oct. 31, 2007.

## **FISH AND WILDLIFE – PROJECTS UNDER REVIEW**

### **Chief Joseph Hatchery Program – Okanogan County, Wash.**

The Northwest Power and Conservation Council recommended that BPA study a program sponsored by the Confederated Tribes of the Colville Reservation to assist in conservation and recovery of summer/fall chinook salmon in the Okanogan subbasin and the Columbia River below Chief Joseph Dam. This program would include a new hatchery near the base of Chief Joseph Dam and acclimation ponds throughout the Okanogan River subbasin. The use of the proposed facilities to reintroduce spring chinook salmon to historical habitats in the Okanogan subbasin is also being considered. The program would augment the ceremonial and subsistence harvest of salmon for the Colville Tribe. This program would be designed to have no effect on the operational flexibility of Chief Joseph Dam. Comments on the draft EIS were accepted through June 18. Public meetings were held in Okanogan and Bridgeport, Wash. A final EIS is planned for October and a ROD is expected by Dec. 31, 2007. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Chief\\_Joseph/](http://www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/).

### **Lyle Falls Fish Passage Project – Klickitat County, Wash.**

BPA is preparing an EIS for the proposed Lyle Falls Fish Passage Project. The project addresses the modification and upgrade to the existing fishway in order to meet state and federal fish passage standards. The project would also facilitate the collection of valuable biological information. The draft EIS is being finalized with a scheduled release in October 2007. A public meeting to take comments will follow. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Lyle\\_Falls/](http://www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/).

### **Northeast Oregon Hatchery Program, Grande Ronde-Imnaha Spring Chinook Hatchery Project – Wallowa County, Ore.**

BPA has conducted value engineering, land acquisition and final design according to the initial ROD signed March 11, 2005. A ROD authorizing construction is planned for winter 2007/08. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Grand\\_Ronde/](http://www.efw.bpa.gov/environmental_services/Document_Library/Grand_Ronde/).

## **POWER – PROJECTS UNDER REVIEW**

### **Regional Dialogue Policy Implementation – Regionwide**

BPA released the Long-Term Regional Dialogue final policy and ROD on July 19. Implementation workshops are being held through November. September workshops will cover products, high water marks and Tier 1 rate design. More information on the workshops and the Regional Dialogue Policy Implementation calendar is available on [www.bpa.gov/power/pl/regionaldialogue/implementation/](http://www.bpa.gov/power/pl/regionaldialogue/implementation/).

## **TRANSMISSION – PROJECTS UNDER REVIEW**

### **Albeni Falls-Sand Creek Transmission Line Project – Bonner County, Idaho**

BPA will replace poles on a section of the Albeni Falls-Sand Creek transmission line in northern Idaho and perform other upgrades to improve the reliability of the line. Approximately 340 wood poles will be replaced along about 25 miles of the existing transmission line. The project area is on an existing right-of-way from the Albeni Falls Dam to one mile north of BPA's Sandpoint Substation. In addition, 17 miles of the line will be reconducted to a larger conductor. Although construction would not begin until 2008 or 2009, BPA employees or contractors will be in the area through the summer performing various activities in support of the project, such as surveying for cultural resources and noxious weeds as well as reviewing the area for dangerous trees. An informational open house was held Aug. 16. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

### **Caribou-Lower Valley Project (includes Hooper Springs Substation) – Caribou County, Idaho**

BPA is proposing to build, own, operate and maintain the new Hooper Springs 138/115-kV substation near a proposed PacifiCorp substation near Soda Springs, Idaho. BPA would connect to PacifiCorp's new substation (Threemile Knoll) to improve service to Lower Valley Energy. Lower Valley Energy would construct, own and operate a new 20-mile double-circuit 115-kV transmission line from BPA's new substation to a tap on the Lower Valley Energy transmission system between Lanes Creek and Valley Substations. BPA is proposing to help fund this transmission line with a third-party financing arrangement. Lower Valley Energy is working to acquire all rights-of-way for the 115-kV line. Field work and design will continue into the fall of 2007. BPA expects to release a draft EA in fall/winter 2007/08. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Caribou/](http://www.efw.bpa.gov/environmental_services/Document_Library/Caribou/).

### **Cascade Wind Interconnection Project – Wasco County, Ore.**

BPA has been asked by UPC Oregon Wind, LLC to interconnect up to 50-MW of electricity generated from UPC's proposed Cascade Wind Project. UPC would independently build, own and operate the wind project and its associated facilities. The Oregon Energy Facility Siting Council has siting and approval jurisdiction over the proposed wind project. If UPC's project is approved, BPA proposes to construct a new switchyard and tap beneath BPA's existing Hood River-The Dalles 115-kV transmission line. Comments were accepted through Aug. 10, 2007. BPA is currently working on its environmental review of this project. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Wind/default.cfm?page=cascade](http://www.transmission.bpa.gov/PlanProj/Wind/default.cfm?page=cascade).

### **Columbia-Ellensburg Transmission Line Upgrade – Kittitas County, Wash.**

BPA's Columbia-Ellensburg 115-kV transmission line needs upgrades to address line overloads in the area. The portion of line that needs to be upgraded extends from the Ellensburg Substation about 10 miles north to the Schultz Substation and then approximately four miles east toward the Columbia Substation. All existing wood poles and associated hardware would be replaced. Most new poles would be located in or as close to existing holes as possible. A portion of the existing conductor may be replaced to meet current industry standards. Three switches would also be replaced. Some existing access roads may need improvements and additional access routes may need to be purchased. BPA will conduct environmental field surveys this summer to complete the environmental review. If BPA decides to proceed with the project, construction would likely begin in spring 2008 with a scheduled completion date of June 2009.



### **LaPine Substation – Deschutes County, Ore.**

BPA proposes building a 140-foot communications tower at its LaPine Substation located near Finley Butte, Ore. The current structures are approximately 70 feet tall. This tower is part of a larger BPA project to replace outdated communications equipment with more reliable technology. No trees will be removed or topped, now or in the future. A lower tower height would require trimming or cutting a substantial number of trees since the terrain is relatively flat at the substation. The project site is about 2.6 miles east of Finley Butte and southeast of the town of LaPine, Ore. The Bend-Fort Rock Ranger District is preparing a categorical exclusion. This notice is being re-issued to clarify that this tower will be used exclusively by BPA and the public comment period had been extended. Public comments were accepted through July 11, 2007. For more information, see BPA's Web site: [www.bpa.gov/corporate/public\\_affairs/comment.cfm](http://www.bpa.gov/corporate/public_affairs/comment.cfm).

### **Libby (Flathead Electric Cooperative)-to-Troy Section of the Libby-to-Bonniers Ferry 115-kV Transmission Line Rebuild – Lincoln County, Mont.**

BPA is proposing to rebuild a 17-mile section of the Libby-to-Bonniers Ferry 115-kV transmission line to improve reliability and meet future load growth in Lincoln County, Mont. BPA issued a draft EIS on July 20 and held a public meeting Aug. 15. Comments will be accepted through Sept. 4. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/). (See close of comment)

### **Olympic Peninsula Reinforcement Project – Thurston and Mason Counties, Wash.**

BPA is proposing to remove a 14.5 mile portion of an existing 115-kV transmission line between Olympia and Shelton Substations and replace it with a double-circuit 230-kV line and add equipment at the two substations. This would improve voltage stability during winter-peak load conditions on the Olympic Peninsula. BPA expects to release a preliminary EA by October 2007. If BPA decides to proceed with this project, construction could begin in late 2007, assuming a finding of no significant impact could be made. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

### **Palisades-Goshen Transmission Line Rebuild – Bonneville and Bingham Counties, Idaho**

The Palisades-Goshen 115-kV transmission line was built in 1949. The line extends from Palisades Dam in eastern Idaho approximately 52 miles west to BPA's Goshen Substation south of Idaho Falls, Idaho. The majority of the wood poles and cross arms are in need of replacement. BPA proposes to rebuild this line due to its age and deteriorated condition to ensure safe and reliable transmission service. BPA held public meetings in Shelley and Irwin, Idaho. Field work has begun and BPA expects to issue an EA in early 2008. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

### **Port Angeles/Juan de Fuca Transmission Project – Port Angeles, Wash.**

Sea Breeze Olympic Converter LP has requested interconnection of a 550-MW transmission cable to the Federal Columbia River Transmission System. The cable would run from Vancouver Island, B.C., across the Strait of Juan de Fuca to Port

Angeles, Wash. The draft EIS was released for review March 9. An open house and public hearing were held April 10 and comments were accepted through April 24. BPA expects to issue the final EIS in fall 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

### **Summer Falls/Main Canal Interconnection Project – Grant and Douglas Counties, Wash.**

BPA proposed to interconnect 122 MW of generation from Summer Falls and Main Canal hydropower projects to the federal transmission grid. The proposal included construction of a new 230-kV substation (Pinto Ridge) in Grant County, and a new communications site (Banks Lake) in Douglas County. It also included construction of six miles of new 115-kV transmission line between Main Canal and the new Pinto Ridge Substation, three miles of new 115-kV transmission line between Summer Falls and Pinto Ridge and a new 115-kV substation adjacent to the proposed substation. Seattle City Light and Tacoma Power requested the interconnection, but are currently evaluating other alternative actions. This project is on hold. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

## **TRANSMISSION – PROJECTS UNDER CONSTRUCTION**

### **Klondike III/Biglow Canyon Wind Integration Project – Sherman County, Ore.**

BPA will interconnect the Klondike III and Biglow Canyon wind projects in Sherman County, Ore. The ROD was signed Oct. 25, 2006. Construction has begun on the John Day Substation and construction of the transmission line began May 14, 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Wind/](http://www.transmission.bpa.gov/PlanProj/Wind/).

### **Rock Creek Substation – Klickitat County, Wash.**

Rock Creek Substation is under construction and will be complete in fall 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Wind/](http://www.transmission.bpa.gov/PlanProj/Wind/).

## **SUPPLEMENT ANALYSES**

### **Transmission Vegetation Management Program**

SA-342 Chief Joseph – Monroe, Chelan and King Counties, Wash.

SA-343 Fidalgo – Lopez Substation, Skagit and San Juan Counties, Wash.

## **CALENDAR OF EVENTS**

To view BPA's Public Involvement calendar, visit this link: [www.bpa.gov/corporate/public\\_affairs/Calendar/](http://www.bpa.gov/corporate/public_affairs/Calendar/)

### **Wind Integration Rate Case Workshop**

Sept. 11, 9 a.m. to 4 p.m., Rates Hearing Room, 911 NE 11th Ave., Portland, Ore.

## **CLOSE OF COMMENT**

Sept. 4 – Draft EIS - Libby (FEC)-to-Troy Section of the Libby-to-Bonniers Ferry 115-kV Transmission Line Rebuild

**The Journal is a monthly publication of the Bonneville Power Administration. If you have questions or comments, or you want to be added to the mailing list for any project, call toll free (800) 622-4519.**

To order copies of documents, call: (800) 622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 14428, Portland, OR 97293-4428. E-mail address: [comment@BPA.gov](mailto:comment@BPA.gov). BPA home page: [www.bpa.gov](http://www.bpa.gov). For details on BPA environmental reviews listed above, including site maps and documents issued to date, see [www.efw.bpa.gov/environmental\\_services/nepadocs.aspx](http://www.efw.bpa.gov/environmental_services/nepadocs.aspx). Process Abbreviations: EA-Environmental Assessment, EIS-Environmental Impact Statement, ESA-Endangered Species Act, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision.